

Opening Statement of the Honorable Fred Upton
Subcommittee on Commerce, Manufacturing, and Trade
Hearing on “Our Nation of Builders: Powering U.S. Automobile Manufacturing Forward”
April 10, 2013

(As Prepared for Delivery)

We are a nation of builders, and the auto industry is a source of great pride. The auto industry produces a product that touches the daily life of nearly every American, but I think the great impact of the industry on our economy may not be widely understood.

Our nation's auto manufacturers, suppliers, and dealers have certainly faced some challenges in the last decade – but the sector is on the rebound. Vehicle output is on the rise, sales are up, and the Big 3 have all recently announced they plan to expand operations and hire more employees.

The auto industry, comprised of auto manufacturers, dealers, and parts suppliers, touches all 50 states. It is the largest industry in the country with over 1.7 million people employed in designing, engineering, and manufacturing of vehicles and parts. The multiplier effect of the industry is calculated at 8 million jobs here in the U.S.

Of course, my home state of Michigan has a proud and storied history as the Auto State and our rich tradition continues: 125 auto companies transformed Detroit into Motor City in the early 20th century, directly and indirectly employing hundreds of thousands of workers. To this day, the impact on Michigan still resonates: auto manufacturing and its downstream impact employ over 20 percent of Michiganders. In my southwest Michigan district, close to one-third of the manufacturing is auto related. I am especially pleased that William Smith from American Axle is testifying today – the company has a long tradition in Three Rivers, Michigan. American Axle and its workers have played a prominent role in Michigan's comeback - recently announcing they are investing more than \$100 million in the Three Rivers plant and are adding an additional 500 jobs.

Although this hearing is not about safety mandates or other auto regulation, I want to be clear about our interest in those topics: we intend to have industry back to discuss those issues in the future. There are exciting developments in the auto safety realm such as vehicle-to-vehicle communication and other active safety systems that we wish to explore. Today, however, we are most interested in hearing about the challenges facing the industry as well as the success stories. This is an important time in auto manufacturing.

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